

Joint Committee on Finance Testimony

March 31, 2011 — State Capitol, Madison

By State Superintendent Tony Evers

Thank you, Co-chair Senator Darling and Co-chair Representative Vos, along with other members of the Joint Committee on Finance, for providing me with the opportunity to be here today to provide information related to the 2011-13 Biennial Budget. Joining me today is Mike Bormett, our Budget and Policy Team Director.

There are a thousand success stories across the state, like three elementary schools in Germantown, Superior, and Appleton where 100 percent of third-graders recently tested proficient or advanced in math and reading. Even with these stories of success, we remain concerned because graduation and achievement gaps are still too large, although we are making progress in closing them. Even with nation-leading graduation rates, too many Wisconsin students drop out — 1 in 10 students. And, we have a failing school finance system that erodes our ability to ensure all children graduate prepared for future success.

In the little over a year and half since I became state superintendent, we have been acting swiftly to implement cutting edge strategies to drive improvements in student achievement. For example:

- ✓ Last year, we adopted new, rigorous academic standards in mathematics and English language arts. These standards are aligned to college and workplace expectations, are benchmarked against the highest performing countries, and now are shared across 41 states.
- ✓ We are replacing the Wisconsin Knowledge and Concepts Exam and transforming our assessment systems into one that is world class. Our collaborative effort with 30 states was recently awarded \$160 million dollars to develop an online, adaptive assessment system ready for the 2014-15 school year.
- ✓ With strong 21st century data systems, including the statewide student information system included in this budget proposal, we are working to be able to improve accountability, reduce district costs, and provide timely information to students, parents, and teachers.
- ✓ We are working with many state and national partners to develop a meaningful educator evaluation system that is fair and valid, leads to improved student learning, and informs human resources' decisions.
- ✓ Through my federal and state authority, we are working aggressively to improve student achievement in our lowest performing and largest school district – the Milwaukee Public Schools. We have required MPS to adopt a uniform curriculum, implement data-driven student intervention systems, and are implementing turnaround strategies in nearly a dozen low performing schools.
- ✓ We are exploring new ways to ensure that all Wisconsin children have the opportunity to graduate from high school with some postsecondary credits or credentials through expanded dual enrollment and dual credit options.

We know that resources are scarce. School districts around the state have demonstrated that they are willing to do their part, both in recent weeks in response to this state budget crisis and throughout the past 18 years under the constraints of revenue caps. While this difficult budget demands shared sacrifice, we need a budget that is fair, equitable, and does not undercut the quality of our children's education.

(more)

As you know, the Governor's budget proposal, which increases state spending by 1.7 percent over the next two years, would cut \$840 million in state school aids over the biennium – the largest cut to education in state history. While these cuts present unprecedented challenges, an even larger concern is the proposed 5.5 percent reduction to school district revenue limits, which dictate exactly how much money schools have available to spend. Depending on the school district, schools would have to reduce their spending between \$480 and \$1,100 per pupil. Statewide, the proposed revenue limit cuts will result in a \$1.7 billion cut over the biennium, as compared to current law. These dramatic and unprecedented revenue limit cuts will be a crushing challenge to our public schools, especially by the second year of the budget.

There will also be crushing challenges to our public libraries – especially when so many of our citizens are using library resources to find jobs and improve their job skills. The cuts in the proposed budget hit at the heart of library efficiencies that make us a national leader. Elimination of the “maintenance of effort” requirement will create a system of haves and have-nots.

We have heard that districts have the “tools” to make up for these cuts, and that classrooms shouldn't be impacted. Quite frankly, I don't think the numbers add up, and many school district officials from around the state agree. They have told us that the savings related to pensions and health insurance do not cover the reductions that will be required under this proposed budget. According to published reports from La Crosse to Green Bay, Milwaukee to Reedsburg, districts all across our state are preparing to make deep cuts this coming school year, and far deeper ones in 2012-13.

- What tools are provided to the large number of school districts that already require significant employee contributions to health insurance?
- What tools are provided to districts, outside of cutting teachers and other staff – thereby increasing class sizes, to offset the double digit increases in the cost of fuel to transport kids to and from school each day?
- What tools will districts have to deal with increasing maintenance and utility costs?

The revenue limit cuts will be particularly damaging to school districts with larger numbers of special education students or high-cost special education students. With the state special education categorical aids flat-funded in this biennium, and fewer dollars available from the state because of this budget, districts will be forced to cut regular education services in order to fund their required special education services. These cuts will make it more difficult for school districts to educate special needs children in regular education settings, and will increase the tension between special education and regular education over increasingly scarce resources.

Also, as the number of English language learners has doubled over the past decade, the bilingual categorical aid support for those students is slated to fall to only 6.3 percent in FY13.

Budgeting, in good and bad times, is about choices.

In this budget, the Governor chooses to impose historic cuts that will erode the quality of our public schools. It is about shared sacrifices, we are told.

- Where is the shared sacrifice when this budget increases transportation GPR funding by a historic 250 percent, and proposes to siphon off \$2 billion in sales tax revenue to the transportation fund over the next 10 years?
- Where is the shared sacrifice when this budget increases funding to voucher schools and independent charter schools by \$40 million?
- Where is the shared sacrifice when the budget removes the income cap on the choice program, subsidizing wealthy parents who send their children to private schools?

I urge the committee to reject these choices.

I appreciate the Governor's funding for our state assessment system in the next biennium to provide transparency and accountability for public schools. But, I cannot understand the desire to eliminate the requirement that Milwaukee Parental Choice students take the same state tests that all other kids supported by public dollars take – the very test that nearly 11,000 choice kids took this year. The Milwaukee Parental Choice Program will cost \$300 million over the biennium and Milwaukee parents deserve to be able to make informed choices, and need a common test. I can't believe we want to remove the single measure of accountability for all taxpayer supported schools.

What's up with that?

Repealing licensure requirements for state independent charter teachers is also misguided. The function of a teaching license is to demonstrate that you know your content and you know how to teach. I do not believe abandoning the requirement will improve the caliber of educators.

In the midst of this budget crisis and the cuts to public schools, I admit that I am puzzled about a provision that would allocate \$1.2 million to the Department of Administration to carry out the recommendations of a literacy task force. I share the Governor's goal of advancing literacy in the elementary grades. In fact, I have agreed to lead the literacy task force with the Governor.

However, oversight of educational programs and assessments resides under the authority of the state superintendent, and I believe there may be a potential legal issue here. In a time of scarce resources, I am also concerned with providing \$1.2 million to a task force whose charge may be to create a third-grade reading test when we already have a third-grade reading test – required by state and federal law. This provision seems redundant.

I must also say that I disagree with an item in this budget that singles out one position in our department. The proposed elimination of our environmental education consultant, who is not funded with general state tax dollars, does not make much sense to me. At a time of increasing focus on conservation and preservation of natural resources, this proposal goes in the wrong direction.

Finally, I would like to take a moment to address not just the level of funding for our schools, but the school finance system itself. We have all heard from school officials and citizens across Wisconsin that our school finance system is broken. I expect that as resources become increasingly scarce, the cries for reform will only become louder and the struggle for limited dollars only more intense.

Last year, I released the "Fair Funding for Our Future" plan, the most comprehensive, detailed school funding reform plan in a generation. This plan:

1. Guarantees a *minimum amount of state aid* for every student;
2. Incorporates a *poverty factor* into the formula, accounting for families' ability to pay — not just their property value;
3. Redirects the disequalizing *school levy tax credit* into school aids, increasing transparency, equity, and direct state support for classroom learning; and
4. Protects *students and taxpayers* from large state aid reductions in any one year. I appreciate that the Governor adopted this piece of my plan, which limits aid cuts to 10 percent, for the 2011-12 school year. I need to note, however, that my plan would have made this a permanent feature of the school finance system.

I understand the reluctance to tackle school finance reform now. The present system is broken, period. Our plan allocates funds to schools more fairly. Consider a bold move; adopt the Fair Funding plan now, regardless of the level of support.

Budgets reflect our priorities and our values – as a state and as a people. The kids of our state and the their public schools did not cause the economic downturn or the state budget deficit that you are working to resolve, but they are being asked to disproportionately bear the burden of it.

Tough choices are needed to balance the budget. But, making tough choices does not mean we should make bad choices. In the globally competitive 21st century, we cannot let our commitment to education falter.

I stand ready to work with you and the Governor in any capacity to make the choices that protect and advance public education in Wisconsin.

Again, I thank you for taking the time to listen to my comments today. I and Mr. Bormett would now be happy to answer any questions you may have.

###

Tony Evers is Wisconsin's elected state superintendent of public instruction. A high-resolution photo of the state superintendent is available on the Department of Public Instruction "Media Contacts and Resources" webpage at <http://dpi.wi.gov/eis/vm-media.html>. A copy of these remarks available on the DPI website at http://dpi.wi.gov/eis/pdf/dpinr2011_32.pdf.